

November 2004

Victor G. Carrillo, Chairman ★ Charles R. Matthews, Commissioner ★ Michael L. Williams, Commissioner

Rebate Update

Rebate Application Forms Available in MS Word

You can now download the Consumer Rebate applications in either Microsoft Word or as a PDF file from AFRED's home page at www.propane.tx.gov. The Word version allows you to fill out the application electronically and save it to your computer.

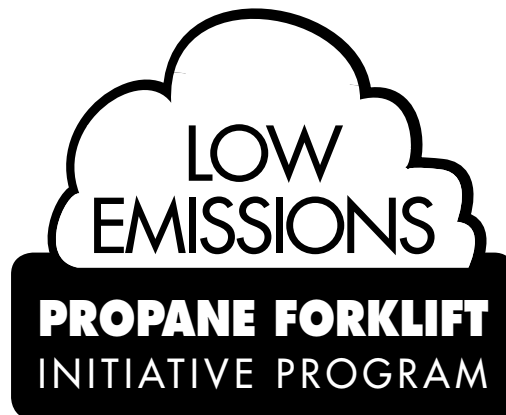
Earned Media Correction

Thanks to sharp-eyed marketers George Welch of Welchgas and Frank Miller of Coopers Propane along with Richard Gilbert of the Railroad Commission's Safety Division for catching the error in last month's marketer news release, "Hunt, Camp and Tour Safely This Fall." The correct version is included this month, and is also posted on the AFRED web site at www.propane.tx.gov.

This month's release features safety reminders for space heaters. Remember to put the release on your company letterhead and include a company contact name and phone number, in case your local newspaper needs follow-up information.

FY 2005 as of 11-12-04

REBATE TYPE	REBATE AMOUNT	PAID	PENDING
Water heater--new construction	\$150	\$18,450	\$40,500
Water heater--electric replacement	\$300	\$4,500	\$5,100
Propane Star Home	\$550	\$51,000	\$31,500
Propane SuperStar Home	\$750	\$0	\$14,250
TOTAL Consumer Rebates		\$73,950	\$91,350
Media	60%	\$0	\$8,252
TOTAL AFRED REBATES		\$73,950	\$99,602



Got Forklift Accounts?

The first grant under AFRED's new \$1 million Forklift Initiative was presented November 19 to a small business in El Paso. The Initiative helps companies upgrade their lift trucks and at the same time reduce emissions of smog-forming nitrogen oxides (NOx). The program is funded by a grant from the Texas Emissions Reduction Plan (TERP).

Under the program, forklift owners receive an incentive to send their old forklifts to the scrap yard and replace them with new propane lifts that meet the latest federal emissions standards. A forklift with typical operating hours could be eligible for an incentive of about \$7,500. For more information, contact Heather Ball at (800) 64-CLEAR.

Administrative Update

Delivery-Fee Collections

As of November 7, AFRED's fee collections for fiscal 2005 totaled \$257,416.

Federal Energy Assistance Available Again This Winter

Over the past five years, AFRED has helped secure \$5.92 million in low-income energy-assistance funds for propane customers in Texas. To take advantage of this year's funding, propane dealers must have on file a Vendor Agreement with the local community action agency or agencies responsible for the county or counties they serve. The agreement lets the local agency pay you directly on behalf of your customers. A list of the agencies serving each county is attached for your information.

Economic Analysis Worksheet

AFRED has worked with a Houston-area property owners' association, local propane marketers and the proposed local distribution company to develop an economic analysis for propane homeowners considering a conversion to natural gas. The worksheet is posted on the property owners' website. If you would like a copy, please contact Heather Ball at (800)64-CLEAR or heather.ball@rrc.state.tx.us.

Training Update

Winter Training Schedule

During most marketers' busiest season from December 1 to February 28, AFRED reduces its statewide schedule of LP-gas training and continuing education classes. A full schedule of classes will resume March 1, 2005.

Marketers may request classes as usual during winter. To request a class, call (512) 463-6930 or e-mail thomas.petru@rrc.state.tx.us.

To view the current class schedule, register on line, or review class descriptions and other training information, go to www.rrc.state.tx.us. Under "Agency Services" at the right of the screen, click on "Propane/LP-Gas Training."

Regulatory Update

LP-Gas Incident/Accident Reports

The LP-Gas Safety Section reminds all licensees of Safety Rule 9.36, entitled "Report of LP-Gas Incident/Accident." The Commission must be notified and a report must be made at the earliest practical moment or within two hours following discovery of any event that:

1. Caused a death or any personal injury requiring hospitalization; or
2. Required taking an operating facility out of service; or
3. Resulted in unintentional gas ignition requiring an emergency response; or
4. Involved damage to the LP-gas installation on any vehicle propelled by or transporting LP-gas; or
5. Caused estimated damage to the property of the operator, others, or both totaling \$5,000 or more, including gas loss; or
6. Could reasonably be judged as significant because of rerouting of traffic, evacuation of buildings, or media interest even though it does not meet paragraphs (1) – (5) above.

The number to call within two hours of the event is the Commission's 24-hour Emergency Line, (512) 463-6788. In addition, a written report on LP-Gas Form 20 is to be submitted with 14 calendar days of the event. For more information, call Richard Gilbert at (512) 463-6935.

More Updates

OPD Analyses Completed

PERC Docket No. 11200, the OPD failure-modes project, sought to address certain fleet operators' perception that current motor-fuel auto-stop technology was not dependable enough to serve as the only means of ensuring proper fill. The engineering analysis was conducted by Southwest Research Institute (SwRI) with field support from AFRED.

SwRI analyzed 17 failed auto-stop valves from 3 sites in Texas. Comments from field maintenance staff were also solicited and reviewed. The study concluded that while tank orientation, fuel contaminants and in-service repairs may contribute to OPD failures, valves manufactured since 2002 are generally reliable and not prone to failure. The pistons in the newer valves are octagonal instead of circular in cross-section, which appears to mitigate failures due to debris particles in the liquid fuel.

Propane Exceptional Energy Marketer Highway Sign Program

Did you miss the deadline to submit your application for a marketer highway sign? Well, you're in luck, because the 2004 Marketer Highway Sign Program's deadline has been extended until December 1, 2004.

The Texas Propane Educational & Marketing Foundation has changed the guidelines to allow marketers up to four new one-sided signs each on a first-come, first-served basis. In addition, previous participants who did not get a chance to refurbish their signs this past spring/summer can do so now.

The marketer highway signs are 8' x 8', four-color, and convey the Propane Exceptional Energy message. Marketers also have the option to add five photographs displaying different propane applications in the home.

The marketer highway sign program will still be a cost-share project. Propane marketers will be responsible for paying for the 25 percent of the sign that is marketer-specific. Additionally, new participants will need to provide a sign base.

For more information on the project, please log onto www.txpropane.com or call Jackie R. Richards at (800) 325-7427 extension 19.

Railroad Commission Contact List

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FAX: LP-Gas Safety Section	(512) 463-6921
Toll-free	(866) LPG-4321

[COMPANY LETTERHEAD]

FOR IMMEDIATE RELEASE

DATE: _____

CONTACT: [YOUR CONTACT NAME AND PHONE NUMBER]

[COMPANY NAME] Urges Space Heater Safety Review

(Your town, date) — Anticipating frost on the pumpkin, [CONTACT NAME] of [COMPANY NAME] says it is a good idea to review safety guidelines for propane gas-fueled space heaters at the first sign of cold weather. Colder fall and winter weather means many Texans will again be relying on propane space heaters to warm specific areas of their homes. These heaters have grown in popularity in recent years because they offer high energy efficiency and fuel savings.

According to [NAME], there are two types of propane space heaters: direct-vent or vent-free. Direct-vent heaters need outside air to support combustion and are typically installed on outside walls. Be sure to check the location of the outside vent to make sure it is free of debris. According to the U.S. Consumer Product Safety Commission, only vented, fuel-fired heaters should be used in mobile homes.

Vent-free space heaters rely on inside air to support combustion and vent directly into a room. Newer types of unvented space heaters must have an oxygen-depletion sensor, which will automatically turn off the unit if oxygen levels in the room drop below a specified level. All space heaters should be placed at least three feet away from objects such as bedding, furniture and curtains.

“Space heaters should be checked periodically,” says [NAME] of [COMPANY]. “We can send a trained technician to inspect the unit, clean the control compartments and burner, and check for proper operation for our customers.”

Homeowners should also become familiar with the “rotten egg” odorant that has been added to propane gas for easy identification. If you do smell gas, whether the heater is operating or not, follow these steps:

1. Do not touch any electric switches, light matches or use the phone.
2. Exit the structure immediately.
3. If there is an outside tank, turn off the gas supply valve.
4. From a neighbor’s phone, call your propane supplier or fire department.

[NAME or COMPANY] also suggests that homeowners who fuel furnaces and appliances with propane put their delivery accounts on “automatic,” to make sure they will have enough gas no matter how cold the weather or how treacherous the road conditions for propane delivery trucks.

For more information on how to stay warm safely with propane this winter, call the Railroad Commission’s Alternative Fuels Division at (800) 64-CLEAR or log on to www.propane.tx.gov.

[COMPANY LETTERHEAD]

FOR IMMEDIATE RELEASE

DATE: _____

CONTACT: [YOUR CONTACT NAME AND PHONE NUMBER]

Hunt, Camp and Tour Safely This Fall

(Your town, date) — Fall is a great time for hunting, camping and exploring the great state of Texas. [MARKETER NAME] of [COMPANY NAME] says those who rely on propane-powered camp heaters, lanterns and stoves or who drive recreational vehicles (RVs) will be happy campers--as long as they follow some basic outdoor appliance safety rules.

Safety starts with approved appliances. Look for a label from a testing laboratory before buying, and follow all manufacturer's directions carefully when operating the appliance. The U.S. Consumer Product Safety Commission reminds campers using propane-fueled cooking equipment to always check fuel connections for leaks before using. And always make sure your shelter or campsite is adequately ventilated. Never turn in for the night with a heater, stove or lamp still burning.

Propane cylinders should always be stored, moved and used in an upright position, unless otherwise indicated on the cylinder itself. All cylinders and appliances should be kept out of reach of children at all times.

Campground owners who have propane tanks on their property should contact [COMPANY NAME] to have their propane delivery account put on "automatic." That way, they will never have to worry about having an adequate supply of propane, no matter how cold the weather or treacherous the driving conditions for a propane supply truck.

Many campers, and quite a few "winter Texans," travel by RV every fall. [MARKETER NAME] reminds these vehicle owners that now is a good time to take their RV to a qualified propane gas dealer or licensed RV repair facility for a preseason checkup. [COMPANY NAME] or a RV repair technician can check your system for leaks and proper regulator settings, while inspecting the valves and fittings. It's also a good idea to check propane tanks for rust and dents.

RV drivers can find [COMPANY NAME] and more than 1,000 other Texas propane outlets online at www.texaspropane.org.

For more information on how to camp and travel warmly and safely this winter, call the Railroad Commission's Alternative Fuels Division at (800) 64-CLEAR.